CHAPTER 1

You and the World of Accounting

What You’ll Learn

1. Describe how personal skills, values, and lifestyle goals affect career decisions.
2. Find information about a variety of careers.
3. Set career goals.
4. Identify career opportunities in the accounting field.
5. Describe the types of businesses and organizations that hire accountants.
6. Compare for-profit businesses and not-for-profit organizations.
7. Define the accounting terms introduced in this chapter.

Why It’s Important

To find out if an accounting career might be right for you, you need to get to know yourself and learn about different opportunities.

National Geographic Society

Have you ever dreamed about hiking to a remote village in Costa Rica or boating to an untouched tropical island? Writers and photographers from National Geographic magazine may have done it. Millions worldwide read National Geographic for images and stories of cultures, nature, science, and technology. It is the jewel of the National Geographic Society—the world’s largest nonprofit scientific and educational organization.

The National Geographic Society makes films, books, maps, and radio programs in addition to running a cable TV channel and an award-winning Web site. In any given week, you might find the organization sponsoring a fossil dig in Africa or a study of sharks off the California coast. Producers and accountants work together to fund these projects. The Society employs more than 1,300 people who have a common interest in expanding our vision of the world.

What Do You Think?

What type of job opportunities do you think exist at the National Geographic Society?
It’s tough to figure out what you want to do with the rest of your life! Career counselors say that most people will have six to seven different careers throughout their lives. Some of us change careers entirely—from archeologist to teacher, or from freelance writer to photographer. Others stay within the same industry, but change specialties—from book designer to Web site designer, or from pediatrician to emergency care physician.

**Personal Connection**

1. What type job do you have now or have you had in the past? Is it in a field you might continue to work in?
2. Imagine yourself in five years. What type of job do you have? Where are you living? What skills are you using?

**Online Connection**

Go to glencoeaccounting.glencoe.com and click on Student Center. Click on Working in the Real World and select Chapter 1.

Choosing a Career

What Do You Want to Do?

Let’s face it: Not many of us know what we want to do with the rest of our lives, especially when we’re still in high school. You may be thinking, “I'll just take some liberal arts courses in college and something will come up” or “I’ll just work for a while to make some money and then fall into a career.” You know what? Something may come up, and you may just fall into a career; but if you ask people who really love what they do, odds are that they took some time to really get to know themselves and what turned them on.

Danielle and Steve have been friends since their freshman year. Like most students, they’ve been too wrapped up with classes, homework, and activities to think about what their lives will be like after high school. This all changed at the start of their senior year. Steve sees it as the end of a long haul, but Danielle sees it as the beginning of a whole new life.

Closing his locker door with his elbow, Steve turns to see Danielle smiling at him.

“Hey Dani! How’s it going?”

“Great,” says Danielle, holding up her class schedule. “They say the last year in high school is always the best.”

“What are you taking?”

“Let’s see. I have chemistry, literature, algebra, speech, and accounting.”

“Ouch, tough schedule! Did you say accounting? I would have never guessed you to be a number cruncher.”

“I don’t think I want to just ‘crunch numbers.’ I’ve always aced math, so I figured if I take accounting now, I’ll know if I really like it enough to study it as a career. Besides, there are tons of ads in the paper for accounting jobs. If you’re good at it, you can write your own ticket.

Think about it: Companies
need employees who know how to run their businesses. Plus it's not just sitting at a desk crunching numbers. My aunt is a financial advisor. She loves her job and travels all over the world.”

“Slow down, Dani, it's only your senior year in high school. Don't you think it's a bit too soon to be playing career woman?”

“The sooner the better, Steve!”

“Maybe you're onto something here.”

Unlike a job, which is simply work for pay, a career is built on a foundation of interest, knowledge, training, and experience. Have you thought of what you may want your career to be? If not, you are not alone.

**Assess Yourself in Terms of a Career Vision**

**Who Are You?**

Before choosing a career, you'll want to do a little soul-searching. The more you know about yourself, the easier it will be to make career choices.

- What are your personal interests and skills?
- What are your values, and how will they affect your career?
- What lifestyle interests you?
- How will your personality affect a career choice?

You have the answers to the questions but just don't know it yet!

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<thead>
<tr>
<th>SKILLS &amp; TRADES</th>
<th>CAREER EXAMPLE</th>
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<tr>
<td>Creative thinking</td>
<td>Fine arts and humanities careers, such as actor, artist, or musician</td>
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<td>Knowing how to learn</td>
<td>Training or teaching careers, such as business consultant or training coordinator</td>
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<td>Responsibility</td>
<td>Health-related careers, such as surgeon, dental hygienist, or home health aide</td>
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<tr>
<td>Friendliness</td>
<td>Hospitality and recreation careers, including cruise director, hotel manager, or park ranger</td>
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<td>Honesty</td>
<td>Child-care workers, veterinarians, and other family and consumer science workers</td>
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<tr>
<td>Decision making</td>
<td>Financial planners, accountants, and other business and office careers</td>
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<tr>
<td>Analytical</td>
<td>Construction careers, including surveyors, general contractors, or electricians</td>
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<tr>
<td>Adaptability</td>
<td>Any of the public service careers, such as teaching, fire fighting, or serving in the armed forces</td>
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<tr>
<td>Self-control</td>
<td>Entrepreneur or manager</td>
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<td>Self-esteem</td>
<td>Communications and media occupations, such as computer artist or book editor</td>
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Your Interests, Skills, and Traits

You’re more likely to enjoy a career that uses your interests, skills, and traits. Skills are activities that you do well. Consider John King. When John was a kid, he built an elaborate fort in his yard. As a teen he studied major metropolitan architecture. When he finished high school, he worked at a graphics company making calendars. The pay was good, but John lost interest and enrolled in school to study his true passion, architecture. Today John is a partner in a successful Los Angeles architecture firm and loves his job.

Are you good at math? Do you write well? Are you creative? Do you like to meet lots of new people, or like John, do you enjoy building things? Everyone has different skills and abilities—it’s the combination that gives you a unique selling point. The chart on page 7 lists some skills and traits that employers have identified as being valuable. Although these skills and traits are useful in various situations, the chart shows examples of careers that require them.

How many of these traits do you have? Make a list. It will come in handy when you begin to consider careers that interest you.

Values

One way to get to know yourself better is to examine your values. Values are the principles you live by and the beliefs that are important to you. Values are really about actions, not words. If you like to spend your free time volunteering at a local hospital or senior center, one of your values might be helping others.

What you value and believe may change as you get older. Most people, though, have a basic set of values that they follow throughout their life. As you read this section, think about your personal beliefs. Remember, values are actions, not aspirations. Which values are important to you? Can you think of careers that would benefit from these values?

Responsibility. Being responsible means being dependable and taking positive actions, such as showing up on time to take a friend to an appointment or honoring a commitment. If you value responsibility, you might think about a career as a supervisor or manager.

Achievement. You value achievement if you try to be successful in whatever you do. I know, you’re thinking, “Who doesn’t want to be a success?” The truth is that wanting and achieving are two different things. For example, if you take action to train outside of regular practices to make first string on the basketball team, you value achieving goals.

Relationships. If you especially value interacting with your friends and family, relationships are important to you. After all, sharing the joy of your accomplishments is half the fun. Those who value these types of connections might avoid occupations that require a lot of travel and might base their career decisions on the ability to live close to family and friends.
Compassion. Do you care deeply about people, animals, or special causes? For you, a career that allows you to show your compassion may outweigh all the money in the world. For example, if you love being around animals, you might enjoy a career in veterinary medicine or the marine sciences.

Courage. Courage is not just being brave in the face of physical danger. Courage is also about overcoming other fears. For example, it takes courage to make a speech to the whole school, even if you are fearful or nervous. If you can put your beliefs on the line, you may be headed for a career in politics or law.

Recognition. If receiving acknowledgement and appreciation of your work is important to you, then you value recognition. You might consider a career as a novelist or a television news reporter.

Many people share the same values, but how they apply them is unique to each person. To some, courage may be accepting the challenge of a job they know little about. To others, it may be turning down the big money to do something they really love. Think about your values. What can you learn from your values that will help you narrow your career choices?

Lifestyle Goals

Your lifestyle is the way you use your time, energy, and resources. For example, many people devote themselves to work, earn lots of money, and put off the benefits of free time until they’re older. Others accept smaller paychecks and work fewer hours to spend more time with family and friends now. If you want to work as a business manager or accountant for a professional sports team, you’ll have to live in a city that has such a team, even if the weather’s bad! If you want to be an actor, get ready for life on the road.

- What’s really important to you?
- Do you want to go for the big bucks?
- Do you want to live in a big city with endless activities or a small town where everyone knows your name?
- Do you want to collaborate with a group of people or to work solo?

Make a list of how you’d like to spend your time, energy, and resources. These are your lifestyle goals. Try to focus on careers that closely match them.

Personality Traits

Imagine what it would be like if all your friends had the same personality. What if they were all shy or serious? Even worse, what if they all had the same sense of humor? It’s a good thing we each have our own personality—a set of unique qualities that makes us different from all other people.

What is your personality? Are you confident, dependable, funny, friendly, sympathetic? Be honest. Do you prefer being with people or spending your time with things, such as reading books or working with computers? You probably wonder what this has to do with accounting. Well, your personality affects your preferences for working with data, people, or things.
As you collect information about yourself, you’ll want to complete a personal career profile such as the one shown in Figure 1–1. Use this profile to help you evaluate whether the careers you’re considering match your skills, interests, values, and personality.

**Making Career Decisions**

*Where Do You Go from Here?*

Once you have a clear vision of yourself and how you want to live, you are ready to research careers and set goals.

**Research the Possibilities**

How do you find the right career for you? Here are some places to start: **Guidance Counselors.** School counselors do a lot more than just show you the quickest way to get from your homeroom to the cafeteria. They can help you identify the things you like to do. One way they accomplish this is through testing, called **personal interest tests**, which help you identify your preferences.

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**Figure 1–1** Personal Career Profile Form

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<th>PERSONAL CAREER PROFILE FORM</th>
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<tr>
<td><strong>Name</strong></td>
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<td><strong>Date</strong></td>
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<tr>
<td><strong>Career</strong></td>
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| **Your Values** | I believe in equal opportunities for all people. I like to be creative. |
| **Career Values** | All kinds of people work in the music industry. As a marketing manager, I would be able to use my creativity, as well as work with other creative people. |
| **Your Interests** | I have a large collection of jazz and blues CDs and keep up with up-and-coming artists that are featured on independent labels. I love getting together with friends and having parties. |
| **Career Duties and Responsibilities** | As a marketing manager, I would make contacts with music stores and distributors, labels, and artists. I might send out press releases, arrange for artist appearances, and map out company marketing strategies to increase profits. |
| **Your Personality** | I am very outgoing and get bored with sitting in class or reading. I have a great imagination and love group discussions. |
| **Personality Type Needed** | A marketing manager must work well with people. Sharp communications skills and attention to details are important. |
| **Skills and Aptitudes** | My best subject is history, and I am president of my school’s debate team. I am not big on writing letters or grammar but love to communicate in person. |
| **Skills and Aptitudes Required** | Good verbal communication skills are essential for a marketing professional. Although history may not be particularly important, good perceptions of what works and what doesn’t work might be important. |
| **Education/Training Acceptable** | I would be interested in learning more about getting a business degree, but also believe that if I could get in on the ground level in the music industry and learn the ropes, I could be successful as well. |
| **Education/Training Required** | I suppose a degree in marketing might open a lot of doors for me. A knowledge of how marketing and accounting fits into the big picture of a music corporation would definitely help. |
Contacts. Networking is making contacts with people to share information and advice. Find out about specific careers through networking.

Library. Print materials on every career imaginable can be found in your public library. Try books on careers or magazines that focus on your interests like *House & Garden*, *Metropolitan Home*, or *BusinessWeek*.

Internet. The Internet is a great source of educational and career information. Check out ideas for putting together the perfect résumé or browse through job opportunities at Paramount Pictures!

Organizations. Professional organizations are groups of people who have common career interests. You can learn about interesting careers by getting to know the American Institute of Certified Public Accountants (AICPA) and the Institute of Management Accountants (IMA).

Set Career Goals

Once you have a clear vision of your interests and the types of careers you want to pursue, it’s time to put a plan into action.

Map Out a Plan. For starters you’ll need to make a list of the careers you’ve researched and compare possibilities. The easiest way to do this is to make a chart. List the careers you’re interested in along the top and list your personal information along one side. Where they meet, X marks the spot.

After selecting the career choices that look the most promising, decide which one you’ll pursue. Reaching your ultimate career goal is not going to happen overnight. There are many intermediate goals to achieve along the way. Here are some steps to help you achieve your career goals:

1. Decide on a long-term goal. Learn as much as you can about careers that interest you. Visit job fairs to obtain information.
2. Identify actions that will lead to the long-term goal. What skills, education, or training will you need? Make plans early.
3. Take action! Make your plans and put them to work.
4. Diversify your skills. Experience different work environments.
5. Realize your long-term goal. Setting and implementing these steps will help you achieve a career that you desire.

Education. Most careers require some education or training beyond high school. Unfortunately, deciding to further your education and finding the cash to pay for it are two different things. For ideas on help in paying tuition, you can turn to many of the same places you turned to for career information: books, the Internet, and your friend, the guidance counselor.

On-the-Job Training. Imagine taking only your favorite school subject and getting paid for it! That’s how on-the-job training works. Suppose you’re thinking about eventually opening your own accounting firm. While in school, you might work as an office assistant at a local accounting firm to learn how accounting services are provided. It’s a great way to find out if accounting is the career for you, and you’ll be paid for your efforts.

Internships. Another way to obtain career experience is to work as an intern. Many companies offer summer or longer internships to students. Some offer modest pay. Successful interns are often offered positions in the company once their internships are completed. The key is to become so valuable that they miss you when you’re gone!
Do the Math
Congratulations! The good news is that you’ve decided to attend a local community college after high school. The bad news is that tuition for an 18-week semester is $1,820. You estimate travel expenses of $20 per week and $300 for books and supplies. You plan to work 20 hours a week, earning $6.75 per hour, and you will apply all your paychecks toward college expenses. Social Security and income taxes will take about 15 percent of your earnings.

1. What is the total cost for a semester?
2. Assume that you have already saved $300 toward your first semester’s costs. Approximately how long will it take to save enough to cover your tuition and books for one semester?

Problem 1–1 Studying Yourself
Instructions Think about the things you like to do and your particular skills. Make a list of at least five personal interests or skills. After you complete your list, use the career resource materials described in this section to identify one or more careers that match each interest or skill. Choose one career and write a one-page description of how your skills and interests fit this career.

Problem 1–2 Gathering Career Resources
Instructions Use the personal career profile form in Figure 1–1 as a guide, and compare three careers that you find interesting. Use the resources mentioned in this section to gather information: guidance counselors, networking, print materials, the Internet, and professional organizations. You may find other references in your school or local public library. After completing your comparison, write a brief summary; identify which of your choices you prefer and explain why.
Some people believe accounting is boring. There, we said it. It’s a pretty safe bet that you didn’t enroll in an accounting course because you thought it would lead to a career in the spotlight. How often do you see Brad Pitt starring in an action thriller about a jet-setting accountant? Exactly. However, who do you think develops and approves the budget for his films to go into production? Who do you think advises Mr. Pitt how to invest the hefty salary he makes? You got it—someone just like you, who is good with accounting concepts and knows how to handle money.

The point is: Accounting can be a lot of things you would never have imagined. So, if an accounting career matches up with some of your interests and goals, hang in there. We promise there is a lot more to it than crunching numbers!

The Changing Horizon

**Is Accounting More Than Arithmetic?**

Sure, some careers in accounting can be a little dry, but there are many more that are dynamic and exciting. Think of any business—Warner Music, Nike, the Hard Rock Cafe. They all look to accountants to help run their businesses. Think of your favorite celebrities—maybe Will Smith or Natalie Portman. Most have financial advisors. Movie producers hire accountants to track production costs. Publishers of magazines, such as *PC World* and *Sports Illustrated*, depend on accountants to work with national advertisers to keep things running smoothly. In this chapter you will identify career opportunities in the accounting field.

Accounting is not just adding and subtracting. An accountant handles a broad range of responsibilities, makes business decisions, and prepares and interprets financial reports. These are skills that successful businesses cannot do without. If you are good, the sky is the limit.

**Types of Organizations**

**What Career Opportunities Exist in Accounting?**

If you still picture accountants huddled over pages of numbers in back offices, the following scenarios should set you straight.

**For-Profit Businesses**

“Okay, everybody. Show time in five minutes.” The announcement comes as the members of the band adjust guitar straps and prepare to go out on stage. A crowd of 30,000 fans, dropping thirty-five bucks a head, waits
for their entrance. Drew Taylor jokes with the band just offstage and then watches as they head out to the fans’ applause.

Drew gets a rush being backstage amid all the excitement of a live show. As the financial assistant to the band’s business manager, he often spends time at the performances. For Drew, working with numbers came as naturally as his love for music. He studied accounting throughout high school and college, and in his spare time he dabbled with the guitar and hung around recording studios with friends who were in the music business.

It wasn’t long before Drew started working as an accounting clerk at a studio. An accounting clerk is an entry-level job that can vary from specializing in one part of the system to doing a wide range of tasks. Drew’s accounting clerk experience and networking efforts landed him a position with one of the music industry’s top business managers. Drew still dreams of recording his own music one day, but for now, he’s quite content helping orchestrate the financial security of his music idols.

Entertainers perform to earn a profit. For-profit businesses operate to earn money for their owners. The majority of businesses in the United States are for-profit businesses.

Today, computers handle much of the basic accounting work, freeing accountants to do more planning for future operations. Computer technology means that accountants are no longer tied to a desk or an office. If you worked for artists such as Alicia Keys, Maroon5, or Modest Mouse, you would probably spend part of your time traveling. Laptop computers and modems can connect you to your work as you travel to other cities and countries.

In order to explore accounting career opportunities, you need to compare the various types of business organizations. Not all organizations are for-profit businesses.

**Not-For-Profit Organizations**

“Listen up, folks! Here’s the draft of the news release we’re sending out tomorrow,” shouts Darin Korman, waving a stack of papers in the air. “We need to get our position before the public while Congress is still considering the environmental legislation. Questions?”

“What else are we doing to alert voters to the potential value of this legislation?” a team member asks from the back of the room.

Darin, the team leader, opens a folder. “Here’s our total plan. We begin filming a TV spot tomorrow. Next week, the art for our magazine ads will be finished, and they’ll run in six different magazines. We’ll also post a call-to-action on our Web site asking visitors for their support. We can all thank Maya for putting together a budget for the media campaign.”

Maya Cruz beams as her boss Darin describes a typical campaign put together for a group—like Sierra Club or Audubon Society—that works to protect and preserve the environment. Such groups operate as not-for-profit organizations, also known as nonprofit organizations. These organizations
operate for purposes other than making a profit. When Maya was very young, her parents founded a similar group dedicated to cleaning up the local waterways. Maya helped her parents in the difficult task of soliciting donations within their community. As she grew older, Maya pursued the study of accounting with the sole purpose of continuing her involvement in environmental causes.

It is important to identify the various accounting functions involved with each type of business organization. Most not-for-profit organizations have the goal of balancing their income with expenses rather than earning a profit for owners or investors. Some not-for-profit organizations, like United Way or Boy Scouts of America, get their income from donations. Other organizations get income through tax dollars. Government agencies, such as your school or a federal agency, fall under this category.

There are thousands of opportunities in the not-for-profit arena. Like Maya did, you may prefer to combine your interest in accounting with a cause that you hold close to your heart.

**Public Accounting Firms**

“It seems like all the ducks are in a row.” Jana Passeno takes another look at the Whitley Company accounting reports on her desk.

“Yes, we have identified the last few questions we need to go over with Whitley’s accounting manager,” Greg Hally says as he finalizes a short list.

Jana and Greg work for the public accounting firm Radcliff & Pratt. **Public accounting firms** provide clients a variety of accounting services including the independent audit. An **audit** is the review of a company’s accounting systems and financial statements to confirm that they follow generally accepted accounting principles.

An **independent audit** is not done by company employees. For example, the accountants who work at Whitley cannot do an independent audit. Instead, it is done by certified public accountants who work for public accounting firms. A **certified public accountant (CPA)** is an accountant who has met certain education and experience requirements and passed a national test. Like doctors and lawyers, CPAs are licensed by the states.

Radcliff & Pratt is a small firm, but many certified public accountants work for the four largest accounting firms known as “The Big Four”: Ernst & Young, Deloitte & Touche, KPMG, and PricewaterhouseCoopers.

Jana feels pride in her job. When companies such as Coca-Cola or General Electric sell their stock on a U.S. stock exchange, potential buyers depend on audited financial statements to make decisions. Once Jana signs off on the financial statements of a company, the public has greater assurance that the information is correct.

Public accounting firms have many job opportunities besides auditing. Possibilities include financial planning and preparing tax returns. You might be interested in a job as a forensic accountant. **Forensic accountants** take cases that involve issues like fraud or employee theft. Did you know that since 9/11, forensic accountants have played a major role in tracking down suspected terrorists?

From entertainment to health care, conservation to entrepreneurship, the career possibilities in accounting are endless!
Assessment

Reinforce the Main Idea
Create an organizer like the one shown here. List at least three accounting career opportunities in each type of organization.

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<tr>
<th>Career Opportunities</th>
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<tr>
<td>For-Profit Businesses</td>
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<tr>
<td>Not-for-Profit Organizations</td>
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<tr>
<td>Public Accounting Firms</td>
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Do the Math
Assume that the federal government pays new accountants without a master's degree an annual salary of approximately $23,500. The starting salary for new accountants with a master's degree is approximately $35,500. If you spent $21,000 to attend graduate school, how many months would you work at a new job in the federal government before the difference in salary pays for your graduate school expenses?

Problem 1–3 Checking Out Accounting Careers
Instructions Using the resources described in Section 1, research possible careers for people with accounting degrees. List at least five different careers and the formal training and work experience needed for each. Choose one career as your preference and write a paragraph describing why this career appeals to you.

Problem 1–4 Matching Interests and Careers
Instructions Using the three career examples described in this section, make a list of the personal interests and skills of the accountants described in each situation. Compare the list to your own interests and skills. Then think of three types of businesses (or actual companies) for which you might want to work. How would you learn about accounting career opportunities in those companies? Aside from pursuing needed training or education, what else would you do to prepare to work in that career? Share your ideas in class.

Problem 1–5 Researching Public Accounting Firms
Instructions Surf the Internet or conduct research in your library to find information about “The Big Four” accounting firms. Create a table of information about each firm and the services the firm provides.

Problem 1–6 Interviewing Accountants
Instructions Interview members of the accounting field to investigate entry-level job requirements, career tracks for the profession, and projected trends for the future. Write a short report about your findings.
Accounting Careers in Focus

ACCOUNTING MANAGER
Keytroller, Inc., Tampa, Florida
Mandy Martensen

Q: Why did you choose an accounting career?
A: In college, I was majoring in a different subject and had to take an accounting class as one of my requirements. I fell in love with accounting as soon as I took that first course. I enjoy math and problem solving.

Q: What are some factors that have been key to your success?
A: I’m a quick learner and willing to try anything at least once. I’m not afraid to ask questions or to try my hand at something new. If you want to go far in the accounting field, you must be open to new things.

Q: What do you find most challenging about your job?
A: Working in a team-based environment is especially stimulating. In today’s world you can’t work alone. You usually work with others as a group, especially on large projects. But you also need to learn how to step in and be a leader when necessary.

Q: What advice do you have for accounting students just beginning their careers?
A: You have to like what you do or you won’t get very far. If you aren’t sure what path you want to follow, consider earning a degree in business; you’ll take at least one class in every area and something you really enjoy will stand out.

CAREER FACTS

- **Nature of the Work:** Review the accounting information to make sure that everything is recorded correctly; organize the budget process; hire, train, and supervise accounting staff.
- **Training or Education Needed:** A bachelor’s degree in accounting or finance, a master’s degree in business administration, and at least five years of experience. Some companies require an accounting manager to have a CPA license.
- **Aptitudes, Abilities, and Skills:** Communication skills, technology skills, and analytical skills.
- **Salary Range:** $45,000 to $85,000 depending on location, level of responsibility, and company revenues.
- **Career Path:** Start by working as an accounting clerk, and then move into positions of increasing responsibility.

Thinking Critically

**Why is it important to be willing to ask for help?**

Tips from . . .

In business, success is usually a team effort. Help the group get ahead by lending co-workers a hand. You will not only show initiative but also gain allies who are likely to provide assistance when you need it.

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Key Concepts

1. A successful career begins with insight into your own personal skills, interests, goals, and lifestyle preferences. Get to know yourself. What you value plays a vital role in deciding what you want to pursue as a career.

Responsibility
Achievement
Relationships
Compassion
Courage
Recognition

As you decide on a career, consider lifestyle goals and personality traits.

Length of Work Week
Size of Paycheck
Work Environment
Growth Potential
Geographic Location

Work in Teams or Independently
Work with People or Things
Skill Strengths
Personality Traits

2. Researching career possibilities can include meeting with a guidance counselor, networking with friends and family, reading books and magazines, doing research on the Internet, and seeking information from professional organizations. Do your homework. Research jobs, salaries, geographic locations, work environments, and growth potentials. You want to know what you are getting into, don’t you?

Library
Internet
Networking

Magazine
Work Experiences
Professional and Student Organizations
3. Use these strategies to set and accomplish career goals:
   • Map out a plan.
   • Consider the education required.
   • Find a part-time job to get some on-the-job training.
   • Check into internships available in your field of interest.

4. Accounting career opportunities vary from the entry-level accounting clerk to the accountant who handles a wide range of responsibilities. Some accountants work for public accounting firms and are certified public accountants. A certified public accountant (CPA) is licensed by the state to perform independent audits of corporations. Public accounting firms provide many job opportunities including
   • auditing,
   • financial planning,
   • preparing tax returns, and
   • forensic accounting.

5. Accountants work for almost any organization you can think of. Find a company you are interested in, and you can bet there is an accountant in the picture planning for next year’s budget, chasing down an expense report from the owner, or advising managers on financial issues. For-profit businesses, not-for-profit organizations, and public accounting firms all hire accountants.

6. For-profit businesses operate to earn money for their owners. Not-for-profit organizations operate for other reasons such as charitable or educational purposes. Most not-for-profit organizations have the goal of balancing their income with expenses rather than earning a profit.

**Key Terms**

- accountant (p. 13)
- accounting clerk (p. 14)
- audit (p. 15)
- certified public accountant (CPA) (p. 15)
- for-profit business (p. 14)
- lifestyle (p. 9)
- networking (p. 11)
- not-for-profit organization (p. 14)
- personal interest tests (p. 10)
- personality (p. 9)
- public accounting firm (p. 15)
- skills (p. 8)
- values (p. 8)
Check Your Understanding

1. Personal Skills, Values, and Lifestyle Goals
   a. Explain how your interests, skills, and values will affect your career choice.
   b. What are six common values that people have?

2. Career Information
   a. Describe at least three categories of career information resources.
   b. Describe how networking is beneficial to career planning.

3. Career Goals
   a. What is meant by mapping out a career plan?
   b. Describe five steps that are helpful in achieving career goals.

4. Accounting Career Opportunities
   a. What does an accountant do?
   b. Name “The Big Four” accounting firms from which you could likely obtain information about current career opportunities.

5. Organizations That Hire Accountants
   a. List and describe three types of organizations that offer accounting career opportunities.
   b. What task can be performed only by certified public accountants employed by public accounting firms?

6. For-Profit Businesses and Not-for-Profit Organizations
   a. What type of organization exists to earn money for the owners?
   b. Why would a not-for-profit organization need an accounting professional?

Apply Key Terms

Suppose you are preparing to interview a person who works in the accounting field. On a separate sheet of paper, write a list of questions that you will ask in the interview. Incorporate each of the following terms in your questions:

accountant  
accounting clerk  
audit  
certified public accountant (CPA)  
for-profit business  
lifestyle  
networking  
not-for-profit organization  
personal interest tests  
personality  
public accounting firm  
skills  
values
Problem 1–7 Researching Careers in Your Library

It is never too early to begin researching careers.

**Instructions** Complete your research project using these steps.

1. Using a reference book (such as the *Occupational Outlook Handbook*), choose a career area that interests you.
2. Research the skills, education, and experience you would need to work in that career area. Your research can utilize any number of resources including books, magazines, and the Internet.
3. Write a brief profile of your chosen career, including a description of jobs in the field, education or training requirements, potential earnings, and working conditions.
4. Present your profile to the class.

Problem 1–8 Researching Careers in Your Local Newspaper

**Instructions** Follow these steps to organize employment information.

1. Review the employment ads in a local or regional newspaper.
2. Collect information on at least 10 job titles plus the skills and education required for each. Include at least two job titles related to the accounting field.
3. Present your information in table format. If you have access to a word processing program, use it to create and print your table.

Problem 1–9 Assessing Your Skills and Interests

**Instructions** Complete an assessment of your personal skills and interests by answering the questions in your working papers. Use the survey included in the working papers, or you can ask your guidance counselor to administer a personal interest test. Using the results of the test, find at least three careers that match your skills and interests.

Problem 1–10 Working with Others

**Instructions** As an accountant for a large business, you might be put in charge of training new hires in the accounting department. Or you might be asked to discuss project cost overruns with a department manager or to present operating results to senior managers. In these situations you need skills other than just your accounting knowledge. For each situation make a list of the skills needed; then decide whether you have those skills and, if not, how you plan to acquire them.
CHAPTER 1

Problems

Problem 1–11  Summarizing Personal Traits
Instructions  Sometimes you can learn about yourself by asking other people how they see you. Ask at least 10 people to name three words they think describe you. Ask them to give you descriptive words such as these:

- Dependable
- Fun
- Quick-thinking
- Decisive

Do not just choose friends. Ask teachers, co-workers, relatives, and others who are willing to give you an honest opinion. Make a list of each person’s descriptions; then summarize your findings by identifying the five characteristics or traits that were mentioned most often. Do these descriptions match your self-perception? Why or why not?

Problem 1–12  Gathering Career Information
Instructions  Arrange to interview someone who currently works in a career area that interests you. Before the interview prepare a list of the questions you want to ask. You may wish to cover the following topics:

- What are the major tasks that you perform?
- What do you enjoy most about your job?
- Is there much variety in your work?
- What specific skills are involved?

After the interview write two or three paragraphs describing your interview and the information you learned. Explain how this information will help you choose a career.

Problem 1–13  Exploring Careers in Accounting
Instructions  Choose a local company that interests you, and find out who works as an accountant for the company. Call and ask whether you can observe the person at work for part of a day. Write a summary of your observations, and share the information with the class.

Problem 1–14  Exploring Global Careers
Instructions  Many U.S. businesses operate in the global economy, which means they need accountants who understand international business. Find a local company that imports or exports products to or from one or more countries. Interview the accounting manager, and find out the skills, formal study, and personal traits he or she looks for in an accountant who works in international accounting. Write a short report about your findings.
Winning Competitive Events

CHAPTER 1

Practice your test-taking skills! The questions on this page are reprinted with permission from national organizations:

- Future Business Leaders of America
- Business Professionals of America

Use a separate sheet of paper to record your answers.

**Future Business Leaders of America**

**MULTIPLE CHOICE**

1. Persons who plan, summarize, analyze, and interpret accounting information are called
   a. accountants.
   b. audit supervisors.
   c. bookkeepers.
   d. accounting clerks.
   e. none of these answers.

**Business Professionals of America**

**MULTIPLE CHOICE**

2. Solve: $2 3/8 - 1 1/2$
   (Reduce to lowest terms.)
   a. 7/8
   b. 14/16
   c. 1 2/6
   d. 1 1/8

3. An employee earns $2,300 each pay period. He is paid on the first and fifteenth of each month. How much does he earn in one year?
   a. $55,200
   b. $59,800
   c. $27,600
   d. $55,220

4. Solve: 150% of $84
   a. $42
   b. $72
   c. $126
   d. $168

5. What is $580 increased by 1/5 of itself?
   a. $116
   b. $145
   c. $696
   d. $725

**Need More Help?**

Go to glencoeaccounting.glencoe.com and click on Student Center. Click on Winning Competitive Events and select Chapter 1.
• Practice Questions and Test-Taking Tips
• Concept Capsules and Terminology
CHAPTER 1

Real-World Applications and Connections

Critical Thinking

1. What term describes the way you use your time, energy, and resources?

2. Compare and contrast the tasks of an accounting clerk and a certified public accountant. How are they similar? How are they different?

3. You have just graduated from high school and have found out about an opening for a summer job as an accounting clerk for a popular family-owned restaurant. Using the six components of personal values, predict whether this entry-level accounting job would be fulfilling.

4. What new issues would an accountant face in moving from a job at a for-profit business to a job at a not-for-profit organization?

5. A friend with an interest in an accounting career asked you for advice about the type of job to pursue. You know she has helped organize fund-raising events at school for diabetes research, and that she loves helping children. Recommend an accounting career that you think your friend would find fulfilling.

6. Make a list of the different ways discussed in this chapter to research careers. Create a table that compares advantages and disadvantages of each of these research options. Which one works best for you? Why?

Career Advice

Sean Smith is a senior in high school. He is taking an accounting course this year because he wants to be an accountant. Sean likes working with numbers, but he also likes working with people. He plans to go to college but doesn’t know which ones offer accounting programs and what costs are involved.

INSTRUCTIONS

Take the role of Sean’s career counselor. Write a one-page report advising Sean. Include the following in your report:

- Information on how to find the resources he needs to choose a college.
- Details on how to set education and career goals.
- Steps Sean needs to take over the next several months.
- A list of resources Sean might use to learn more about accounting careers, colleges, and financial help.

Padding a Résumé

Part of landing a great job is putting together a résumé that effectively represents your skills and background. Imagine that BMW has just opened a new regional headquarters in your area. You would like to work for BMW as a payroll clerk, but you’re afraid you don’t have the right qualifications. A friend suggests that you “change” your résumé to make yourself look better.

ETHICAL DECISION MAKING

1. What are the ethical issues?
2. What are the alternatives?
3. Who are the affected parties?
4. How do the alternatives affect the parties?
5. What would you do?
Real-World Applications and Connections

Writing an Article
Write a one-page article for a career newsletter. Describe the field of accounting and the types of businesses and organizations where accountants might work.

Acquiring and Evaluating Information
To make a decision, whether personal or business-related, you must be able to acquire and analyze information.

ON THE JOB
You have graduated and are ready for a job to match your skills and interests!

INSTRUCTIONS
1. List the businesses that advertise in a local or regional newspaper. You may want to use a Sunday issue since it is usually packed with ads.
2. Separate the businesses into for-profit and not-for-profit categories.
3. Write a summary of your findings, and describe the accounting career opportunities you think these businesses and organizations might offer.

An International Accounting Career
If you want to explore the world, the field of accounting can take you there. To land a job with an international accounting firm, knowledge of international trade laws and country-specific accounting standards will help. Experience with local business customs and a familiarity with the language is also a bonus.

INSTRUCTIONS
Go to the global Web site of PricewaterhouseCoopers and list five countries in which the firm operates. In the Careers section, select a country from your list and name two career opportunities in that country.

Your Career
In this chapter you considered how interests, values, and lifestyle affect your career goals. You can learn more about what you want in a career from personal assessment tests. Meet with your guidance counselor or try an Internet search engine to learn more about these tests.

PERSONAL FINANCE ACTIVITY
Imagine you have two job offers to work as an accountant. One is for a for-profit business. The work is not very exciting, but the company pays a high salary. The other job is at a not-for-profit organization dedicated to a cause that is important to you, but it pays about one-half as much. Based on what you discovered in your self-assessment, which job fits your goals? Why?

PERSONAL FINANCE ONLINE
Log on to glencoeaccounting.glencoe.com and click on Student Center. Click on Making It Personal and select Chapter 1.

Be Your Own Boss
How would you like to be your own boss? Visit glencoeaccounting.glencoe.com and click on Student Center. Click on WebQuest and select Unit 1 to continue your Internet project.